

STIL/

July 19, 2017

<b>M/s. Bombay Stock Exchange Limited</b> Phiroze Jeejeebhoy Towers Dalal Street, Fort Mumbai 400 001 Fax No. 022-22723121/719/22702037/39 <b>Scrip Code: 532782</b>	<b>M/s. National Stock Exchange of India Ltd.</b> Exchange Plaza, 5 <sup>th</sup> Floor, Plot No.C/1, G-Block, Bandra-Kurla Complex, Bandra(E), Mumbai 400 051 Fax No. (022-2659 8237/38) <b>Scrip Code : SUTLEJTEX</b>
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Dear Sirs,

Please find enclosed herewith a copy of the Press Release with respect to the Un-audited Q1 & FY 2018 Financial Results for the quarter ended 30<sup>th</sup> June, 2017.

Thanking you,

Yours faithfully,  
For SUTLEJ TEXTILES AND INDUSTRIES LIMITED



(D.R.Prabhu)

COMPANY SECRETARY AND COMPLIANCE OFFICER



**Q1 FY2018 Results**  
**Total Income at Rs. 658.73 Crores**  
**EBITDA expands to Rs. 76.28 Crores**  
**PAT at Rs. 23.58 Crores**  
**EPS of Rs. 14.39 per share**

**Mumbai, Maharashtra, July 19, 2017:** Sutlej Textiles and Industries Limited (BSE: 532782 / NSE: SUTLEJTEX), a leading manufacturer and exporter of value added dyed yarns (synthetic & cotton mélange) with presence in Home Textiles, today reported its financial results for the quarter ended 30<sup>th</sup> June 2017.

Particulars (Rs crore)	Q1 FY18	Q1 FY17	% change wrt Q1 FY17
<b>Total Income</b>	658.73	561.48	17.32
<b>EBITDA</b>	76.28	86.44	-11.75
<b>EBITDA %</b>	11.58	15.39	-381 bps
<b>PBDT</b>	60.45	73.16	-17.37
<b>PAT</b>	23.58	45.09	-47.70
<b>PAT %</b>	3.58	8.03	-445 bps
<b>EPS( Diluted) (Rs.)</b>	14.39	27.52	---

**Commenting on the results, Mr. C.S. Nopany, Chairman, Sutlej Textiles and Industries Limited said:**

*“The domestic environment pressures continued to adversely impact the textiles sector during Q1FY18. Following the disruption due to demonetization, the imminent introduction of GST further dampened demand during this quarter. The implementation of GST has disrupted the unorganized sector who have been demanding its removal on fabrics and resolution of the inverted duty structure. As anticipated, margins during Q2FY18 continue to be under pressure due to the lack of domestic demand coupled with a strong rupee affecting exports.*

*I am happy that Sutlej Textiles and Industries has been able to achieve top line growth as new capacities have started commercial production, both in spinning and home textiles. We expect that the operations will stabilize during Q2FY18 and the value added products will be the profit driver in the future.”*

## Key Developments

### Brownfield project - Capacity Expansion of Value Added Products at Bhawanimandi, Rajasthan

- Commenced commercial production of 35,280 spindles at Bhawanimandi, Rajasthan facility at a project cost of Rs. 270 crores. Q1 FY 2018 is a first quarter of commercial operations
- 17 no. Circular Knitting Machines are under installation and expected to get complete in Q2FY18. Project is being funded by mix of internal accruals and term loans sanctioned under TUFS
- Dedicated capacity focused towards producing Value Added Cotton and Cotton blended dyed and Mélange Yarn

### Brownfield project - Capacity Expansion of specialty synthetic yarn at Baddi, H.P.

- Brownfield capacity expansion plan of 28,800 spindles at Baddi, Himachal Pradesh facility
- Estimated Project Cost is Rs.215 crore and project is likely to have commercial production from end of Q4FY19
- Incremental capacity would be dedicated towards manufacturing of 100% Polyester Industrial Yarn and other grey blended specialty synthetic yarn

### Modernization Update

- Invested around Rs.10 crore during Q1 FY 2018, towards technology up-gradation and debottlenecking, etc. This will result in further improvement of efficiency and sustaining plant utilization.
- Intends to deploy further amount of ~Rs.70 crore during the year towards technology up-gradation and debottlenecking, etc.

## About Sutlej Textiles and Industries Limited

### CIN: L17124RJ2005PLC020927

Sutlej Textiles and Industries Ltd (STIL) (part of S&P BSE SMALL CAP Index), an ISO 9001:2008 certified Company, is one of India's largest spun dyed yarn manufacturer. Under the leadership of Mr. C S Nopany, Executive Chairman of STIL, a Chartered Accountant and Master of Science in Industrial Administration from Carnegie Mellon University, the Company has focused on value added yarns and home textiles. Over the years, the Company has also successfully carved out a niche for itself and is holding leadership position in the dyed yarn and cotton mélange yarn segment. The total spinning capacity of the Company presently stands at 4,16,616 spindles.

STIL has a strong global clientele and exports to more than 60 countries. It has presence across major developed and emerging economies like Australia, Argentina, Bangladesh, Bahrain, Belgium, Brazil, Canada, China, Chile, Cuba, Egypt, France, Germany, Hong Kong, Italy, Morocco, New Zealand, Peru, Philippines, Poland, Portugal, Russia, Saudi Arabia, Sri Lanka, Turkey, United States of America, the United Arab Emirates (UAE), and The United Kingdom, among others.

STIL has also been recipient of numerous prestigious awards like Niryat Shree – Gold trophy award for its Export performance in spun yarn; Gold trophy by SRTEPC for best performance for export of fabrics to focused Latin American countries and Silver trophy by SRTEPC for Second best export performance in spun yarn category.

**For further information, please contact:**

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